

MINUTE OF THE MEETING OF THE EXECUTIVE COMMITTEE HELD WITHIN 8/10 NEEDLESS ROAD PERTH, ON WEDNESDAY 13th MAY 2015

PRESENT: Beaton Lindsay, President
Douglas Scott, Chief Executive

President Elect: Paul Boyle

Honorary President: Arthur Matthew

Past Presidents: Ian Faulds, Hamish Deans, Jamie Chapman

Executive Members: Neil Cameron, Alan Kennedy, Stewart Dempsie, George Lees

APOLOGIES FOR ABSENCE: George Jarron, Scott Jarron, John Chapman, Hugh Pender, Jack Meade, James Pender, Jim Preston, Guthrie Batchelor, Stuart Christie, Adam McLay, Murray Lauchlan, Amos Smith, Alex Mitchell

APPROVAL OF MINUTES OF EXECUTIVE MEETING 11th March 2015: The minutes were approved by Hamish Deans and seconded by Paul Boyle.

MATTERS ARISING: The date of the minutes needs changed to 11th March. Hamish Deans asked if we had approached Lawrie & Symington. Douglas said it had not been actioned yet.

Hamish Deans asked if anything else has happened about increasing numbers at Forfar Mart under the livestock report. Alan Kennedy said nothing else has happen and he was embarrassed at the time with the lack of support the initiative had.

PRESIDENTS REPORT: Since the last meeting there had been a visit to Orkney to see members, the abattoir, the farm which supplies Mearns T McCaskie and a regional meeting in the evening. In between they squeezed some sightseeing. Louise Lindsay, Douglas Scott, Derek McMahon and Nigel Ovens were in attendance.

Last night Beaton attended the Lanarkshire Retired Butchers Dinner.

CHIEF EXECUTIVE REPORT: Douglas Scott reported.

At the Trade Fair the previous Sunday we recognised Stewart Dempsie commitment to the Meat Skills Competition for the last 16 years with a small memento. At this meeting we would like to have given the same to George Lees who has shared the task with Stewart for the last 10 years. On one famous day they flew from Inverness to Stornoway to judge someone there in the morning and flew back to Inverness then judged someone in Tain in the afternoon. They give up their March every second year. Beaton Lindsay presented George Lees with the memento and a picture was taken. Stewart Dempsie also thanked everyone for the kind gift. George Lees thanked Claire and Douglas for the hard work in the office organising their itinerary.

Since our last meeting we have produced the usual two newsletters, the Federation Yearbook, designed and printed summer posters, designed and printed Craft award certificates, sent out approaching 100 press releases and delivered the Meat Trade Fair. I certainly hope that the membership and Executive are happy with the effort and I must pay tribute to the staff who have all contributed to what I see as a very successful two months. For the Trade Fair Bruce is particular put in an amazing amount of work and physical input that his back is yet to recover from. All this went on in the background of meetings and activities that sometimes took me out of the office more often than I would have liked.

Since our last meeting I have visited ten members and one corporate member. We have had visits to the office by two corporate members and another fifteen SFMTA members.

As Beaton has already said I was in Orkney in mid March. We visited all the members there and had a very successful regional meeting on the Monday night in Kirkwall. On return from the north I attended on the Thursday an SQA Support Network meeting in Glasgow that Claire has reported more fully in the Training report. Next day we had an SQA Partnership meeting in this office.

On Monday 30th March we hosted the Q Guild Scottish Region Barbecue event and meeting. Two days later I was in Penrith for the Q Guild Management meeting. There has been a fair amount of work setting up and organising the Q Guild National Barbecue event and Business Conference that will be held in Coventry on Sunday 31st May and Monday 1st June.

I attended City of Glasgow College on Wednesday 8th April to assist Bruce with the intake of entries for our Craft Butcher awards evaluation of Savoury Pastry Products and Beefburgers. The judging was then held on the following day with a large number of products examined.

The following week the Beefburger final was held after mystery shopping the top ten from around the country. Carfraemill Hotel was the venue for the final judging and they managed to unknowingly pick a Borders burger as the winner.

That afternoon I attended the Dalesman Barbecue event at the Cairns Hotel, Bathgate. Next day, Thursday 14th April Bruce and I met with staff at Dewars to fine tune the Meat Trade Fair. Everything was fine until their parting shot asking if we were aware that they would not be providing a carpet for the hall that day. Faced with exhibitors who had booked and paid for carpeted stands we purchased a carpet and it is now stored in a container in our back yard for use the next time.

On Friday 17th April I attended the Scottish Food Enforcement Committee in Edinburgh, a report is attached to the agenda. I was invited to attend the Scottish Association of Meat Wholesalers Conference and Dinner on Saturday 18th April but had to decline.

The following week I attended the British Pie Awards in Melton Mowbray. Several members had entered but the greatest success for any butcher across the UK was by Paul and Christine Boyle from Boghall Butchers. Paul said that one of the problems with pies is that you only submit one sample and if the product is small which is often the case that with 6 or 7 people tasting it by the time it goes forward for deciding category winners there could just be crumbs left on the plate. Douglas did not think he would be there next year as it is on the 9th March which is our executive day.

I managed an overnight stop at home before going off to Aberdeen to write a feature on one of our newest members, Dennis Paterson in Northfield. On 29th April President Beaton attended a meeting round this table with me and the Chief Executive and Chairman of QMS, Uel Morton and Jim McLaren. They briefed us on QMS' plans for the year ahead.

Last week I attended Expo Scotland in Glasgow where I heard about the latest in the use of social media. A report on this is on the Members Only website. Trade Fair consumed the rest of that week and the bulk of this week until today's meeting re-the winding up of St Andrews Abattoir Co. It was a meeting of the members to wind up the company. Alison Anderson, from Armstrong & Watson the Insolvency practitioners in Dumfries. She explained the company was solvent and had to be dissolved in a tax efficient way. The company had traded for 27 years and the investment had been a £1 a share. The accounts were extended to December 2014 for tax reasons from October. Work was carried in February on the accounts and consideration given as to how to distribute the funds to the shareholders. The Federation hold 5,000 shares. The best way was voluntary liquidation. Members had been given 21 days notice. There were no assets to be turned into cash. 6 resolutions were passed with a route for dispersion by cheque. Realised funds are £1,989,627 funds which represents a value of over £12 per share. It will be advertised in the Edinburgh Gazette for legal purposes They have avoided paying tax by paying £388,000 which would have been due in August 2015. It is described as jumpstarting the process. The Tax clearance is expected by the end of June. That is when the payment is expected to the

shareholders. Shareholder certificates need to be returned to Armstrong and Watson. Distribution is by a capital nature so there is Capital Gains Tax for those whom are receiving it. You are allowed £11,100 without paying tax so if you have 1000 shares you would not be paying tax. Loss of certificates would be dealt with in the same way as endowment policies and this would not be a problem. Douglas would check what this meant for tax liability for the Federation

Tomorrow I am in Bannockburn to write a feature on a member and will go on from there to a photocall for our new Haggis Champion in Wemyss Bay.

I will be on holiday from 12th to 22nd June and since I forgot that the Royal Highland Show has been moved forward by one week then I am afraid I will miss the 175th Show.

Ian Faulds asked if St Andrews had paid out dividends over years. Douglas Scott said it was described as a very good investment for shareholders. Stewart Dempsey said in many years it was no less than 10% and in some years 15% and in one year we got our share money back. Hamish Deans said there was 41 shareholders and they never had an overdraft the whole time of trading.

FINANCE REPORT: Douglas Scott reported.

There will be a finance meeting after this meeting if necessary.

MEMBER SERVICES: is forecasting more money coming in than expected. £88,622 has been revised to over £91k. Corporate membership is forecast to be more. Trade fair receipts are up and this is covered in the membership report. The handbook we are still looking at a loss on production. The rest of the items are as expected. On the Q Guild side we need to allocate more time on wages so we don't pay corporation tax. The regional meetings we are behind budget and they will not go up as there is nothing planned except one on the 31 August which is the last day of the financial year. Cost of consultancy fees are £5k over budget but this is because of the cost of indemnifying the employment law tribunal cases. You will be pleased to know that we can afford it at the moment. None of the other costs are away from the budgeted figure. The AGM expenses are £400 less than we budgeted for. We are looking at a sizeable surplus. Income from Q Guild is £28k with costs of £7k which brings in a surplus of £21k. We have eaten into that surplus.

SCOTTISH MEAT TRAINING: The figures are up to the end of February but we have forecast up to the end of March. We normally bring in £20k to £25k per month. £53,249 is estimated from SDS because of a huge number of finishers and registering new starts. Our forecast from SDS is up from £292k to £307k. We had confirmation that ESF Highlands and Islands will pay us £25k from the previous year. They are quite behind so we still have £5k to come in from them. We are predicting an income of £375k which would be more than last year. Costs will be in line with last year. We would look at a reasonable good surplus on this side of the business too.

Paul Boyle asked if the Q Guild contract was for a few years. Douglas said it could finish at any moment. It would seem unlikely we would lose it at present as we are working very hard at it. Alan Kennedy did not see any change in the next two or three years.

MEMBERSHIP AND DEVELOPMENT REPORT: Bruce McCall reported.

317 members have joined with 95 additional branches.

One new members since last Executive meeting
Pauls Quality Butcher, Kilsyth & Condorrat

Three members resigned
Rennies, Forfar – no reason given
Mark McFarland, Girvan
John Martin, Ayr – shop up for sale

Three letters were sent regarding fees over the three month period and a phone call. A final letter was sent at the start of April stating that services were withdrawn.

We have had one enquiry to join from Puddledub Pork, Clentrie

CORPORATE MEMBERS

23 Corporate Members have paid.

1 new member Bell Bakers.

Beaton Lindsay said Mary Longhorn had intimated she would like to join as Corporate Member. Bruce agreed to send letter including an invoice.

TRADE FAIR

The trade fair took place on Sunday 10th May. We hope everyone enjoyed the day. Feedback has been very positive. 39 companies booked 50 units. Income from stands was £21,420. Around 500 people attended the show.

SFMTA HANDBOOK

The handbook was distributed on time with the May newsletter. Income of £2650 has been received. The costs were £3500 for the printing plus the cost of the cover.

GOLF

Places are still available for the golf outing on Wednesday 3rd June at Drumpellier Golf Club, Coatbridge. The cost is £45 including meals and prizes. Please can you book places by 21st May.

Stewart Dempsie said that at the Lanarkshire Dinner everyone agreed it was a good show and a vote of thanks goes to Douglas and the staff for their input.

Jamie Chapman asked for the collected money for Lanarkshire Association to be sent to him.

TRAINING & DEVELOPMENT REPORT: Claire Simpson submitted a written report:-.

Scottish Meat Training currently has a total of 180 trainees funded through Skills Development Scotland and one through Falkirk ETU.

112 trainees have achieved their Modern Apprenticeship since 1 April 2014.

SKILLS DEVELOPMENT SCOTLAND CONTRACT: We have been issued 90 places on the new SDS contract and can return to ask for more places on the condition that our achievement rates are within industry standard which has been raised to 75%. More focus than ever has been placed on achievement rates and SMT have had to change its procedures to ensure maximum candidates are likely to achieve certification prior to leaving the programme. Assessors will now delay induction paperwork until the third visit to ensure that the candidate is keen and has the ability to achieve the qualification. Employers and potential trainees will be told of the importance placed on achievement. Changes in SDS rules will also ensure that candidates will now be certificated for their SVQ within four weeks of completing. MA certification is normally two weeks after this.

SKILLS DEVELOPMENT SCOTLAND – MEETING: Douglas and I attended the SDS meeting at Dunblane Hydro on the 18th March 2015. The day was split into two with the morning session for training providers “Driving Change” which was general discussion on the way forward for SDS and training providers. There has been an increase in number of MA places available rising from 20,000 to 25,000. SDS were asking the question on how to fill these places.

Afternoon was focused on “Delivering the Ambition” and I attended two workshops.

- Delivering Results through Employability Fund
- Modern Apprenticeship Programme – Expansions to 2020

SCOTTISH QUALIFICATIONS AUTHORITY – FOOD MANUFACTURE SUPPORT NETWORK - MEETING AT GLASGOW HILTON ON THE 19TH MARCH 2015: Douglas, Helen, Stewart and myself all attended the SQA meeting in Glasgow. Overall the event was not well attended.

Iain Percival gave a presentation focusing on the points on why five centres were on hold last year (no qualifications could be certificated). Round the table discussions felt that the EV should also be giving positive feedback on the good practice that centres do and not only the bad practice.

SFDSA gave a presentation and a report from Improve – the attendees all agreed that Improve should have attended and have asked for a meeting to be arranged with them.

Angie Foreman of SFDSA reported on the membership of SFDSA and we have enquired re joining.

Overall the event needs to be re-structured for next year with discussion groups on unit support material re-introduced as part of the event.

WAGE INCENTIVES: Most local authorities are offering wage incentives for the recruitment of young people. Employers need to contact either their own local authority or job centre to find out what is available. SMT now has a contact list for the local authorities to fast-track queries. This incentive has proven very popular and over eighty businesses have taken on employees through this incentive.

FOOD AND DRINK OPERATIONS: FOOD MANUFACTURING EXCELLENCE: SMT staff are currently undertaking a 12 day course with Scottish Manufacturing Advisory Service to enable our assessors to deliver the level 2 and level 3 qualification Food Manufacturing Excellence. The qualification is aimed at making organisations of all sizes work more profitably and efficiently by ensuring that procedures are carried out as effectively as possible. Scottish Government is keen to roll out these qualifications to all businesses and we will start to deliver this programme in 2015.

COURSES: A waiting list is being held for Meat Managers Hygiene and HACCP please contact Claire if you are interested. Dates provisionally booked are the 17th and 18th June – one to be held in Perth and the other where there is further demand.

CRAFT CERTIFICATE: All funding from ESF projects has now ended and the Craft Certificate is no longer financially supported. SMT has sourced alternative funding from Flexible Training Opportunities. SMT will assist employers to apply for the funding.

END OF CONTRACT YEAR: We have ended the 2014/2015 contract year on a positive note. Our income was on target throughout the year and we exceeded our contract value by £11,000. We also inducted more trainees than we were contracted to.

A big thank you to all staff, trainees and employers. We now need to keep it up for the new contract.

Hamish Deans said that we are 41% down on numbers the corresponding month last year. Douglas said but you need to look at the income we have brought in from achievements. Hamish felt it was an alarming drop in the number of people in training. Douglas hoped by next time numbers would go up.

LIVESTOCK REPORT: Douglas stated there was nothing to report.

PROMOTIONS REPORT: Douglas Scott reported.

In the Craft butcher awards there was 205 products in the savoury category and 65 in the burgers. 1 Diamond in each, 45 Gold in the savoury with 79 Silver. We were keen to get the press releases out because the Baker of The Year awards came out at the weekend. It brought out new winners and new entrants. In the Burger category there were also 5 regional winners 12 gold and 27 silver awards. The Scottish Haggis Champion on Sunday was Mearns T McCaskie and the winner in the Pork Sausage was Mogerleys in Dumfries.

We have a Sausage for Scotland competition which the form was started to be distributed at the trade fair. The shortlisted sausages will be tasted and voted on by the membership in September.

The posters will be distributed at the end of the week. We received the images from Dalesman. They agreed to provide the images free of charge.

The craft butcher logo on the posters has been refreshed from what we usually use. A small committee of Beaton Lindsay, Derek McMahon and Nigel Ovens said they felt it was a better logo. This has been applied to the posters. Brand guidelines will go out on pdf to all the members. The reaction from East of Scotland Contracts was good. Dalziel clothing manufacturing was using the new logo and it was on uniforms on Sunday. We also produced hats for all the competition winners with the new logo on it. The reaction has been good so far.

Uel Morton & Jim McLaren visited from QMS we did feel it was very much a tick in the box exercise letting us know what they were doing. They brought in £4.1m levy. They had £1.5m in grants. They were budgeting £4m to come in this financial year. This did not include what came in from the quality assurance schemes. The board were very much skills based. They have a butcher on the board in Jock Gibson. The new board members have to go through an induction process.

The Scotch Butcher Club has an e-newsletter and industry events and they have a think tank. Only Dunblane and Lockerbie are members of the Quality Assurance scheme. They said the whole industry benefitted from the brand. Above the line activity is not required in Scotland because everyone in Scotland knows about Scotch Beef. The main campaign will be a GB campaign because QMS feel that to spend money in Scotland would be wasteful. Recipe cards and apps would be available. Digital media would be used extensively and they had 73 million views on pop up adds. The levy money collected was up and it allowed them to do more. They had printed more copies of the new beef guide. The vouchers for schools was taken up by 75% of schools. Ian Faulds said the schools are delighted to get it but they are only interested in cheap product. Douglas said the important thing was the school was getting meat. Beaton Lindsay felt it was important to get the kids cooking with meat. Paul Boyle said when QMS did the commonwealth burger the schools got really involved in it. Douglas said there was a 20% increase in use of the vouchers. QMS went on to talk about their economic service and their brand integrity service where farmers can check eligibility for the PGI by going online. This service is being launched this year and allows you to see where the animals had been. Jamie Chapman said the current system only tells you if the last farm was PGI. On PR QMS are producing videos for social media. They are having the Scotch Beef Farm of the Year. They are sponsoring Young Scot. They are doing something with the Guild of Food Writers. They rattled off a huge amount of information at us in a short space of time. Ian Faulds received a letter to rejoin the Scotch Butchers Club. In the recent information they are asking about customer count data and average value per sale. He did not want to give them the information but asked for the SFMTA to ask them why they require these statistics.

Jamie Chapman questioned the wisdom of the Scotch beef packs which had been packed in Cornwall. The point being the plants down south are not inspected by QMS inspectors. Alan Kennedy said he had taken this point up with Uel Morton before and the response they got was it was certified and individually inspected and it has a derogation as nothing other than Scotch goes through it. He also felt the QMS inspectors did very little in the way of an inspection when they visited his shop. Hamish Deans said the QMS scheme and The Red Tractor are competitors of each other.

LEGISLATION REPORT:

MEAT CHARGING: the meeting next week has been cancelled. FSS will brief Douglas and Bruce on the new system.

SCOTTISH FOOD ENFORCEMENT COMMITTEE: most of the recent meeting was about diet and health. It seemed like the government wanted EHOs to take more responsibility to promote

healthy living. Douglas did not see them having any resources to do that. There is a review of the food law code practice and that seems to be moving forward and they seem to think it is going to work better. Ian McWatt was there to go over what happened at the FSAS first board meeting.

ANY OTHER COMPETENT BUSINESS:

Alan Kennedy asked if there was any progress on Forfar abattoir. All he had heard was that Scott Jarron was going down south to meet some prospective buyer of pork a week on Friday.

Alan Kennedy asked about bone prices. Beaton said he was charged £30 a lift from Douglas Brae. He also had heard they were making money again so they would start to compete against each other again. George Lees commented that bone uplift seem to range from £25 to £45 per in the different parts of the country.

George Lees mentioned about Page 28 of the handbook about Working Time Regulations he thought it was a misprint it says employees should be given the following minimum rest breaks. 11 hours of uninterrupted rest breaks per day. Douglas said it would be correct so staff cannot finish a shift and start another one.

DATE OF NEXT MEETING: Wednesday 24th June 2015.